

## City of College Station

### PROFESSIONAL SERVICES CONTRACT

This Contract is between the City of College Station, a Texas home-rule municipal corporation, (the "City") and A S & G, Claims Administration Inc., a Houston Texas corporation (the "Contractor"), whereby the Contractor agrees to provide the City with certain professional services as described herein and the City agrees to pay the Contractor for those services.

#### ARTICLE I

##### Scope of Services

1.01 In consideration of the compensation stated in paragraph 2.01 hereinbelow, the Contractor agrees to provide the City with the professional services as described in **Exhibit "A"**, the Scope of Services, which is incorporated herein by reference for all purposes, and which services may be more generally described as follows: Third Party Claims Administration Services for all Workers Compensation Claims and up to 10 Liability Claims involving Bodily Injury per contract year.

#### ARTICLE II

##### Payment

2.01 In consideration of the Contractor's provision of the professional services in compliance with all terms and conditions of this Contract, the City shall pay the Contractor according to the terms set forth in **Exhibit "B."** Except in the event of a duly authorized change order, approved by the City as provided in this Contract, the total cost of all professional services provided under this Contract may not exceed **Fifty Two Thousand Five Hundred Dollars ( \$ 52,500.00 )**.

#### ARTICLE III

##### Time of Performance

3.01 The Contractor shall complete the professional services within the times set forth below. The term of the Contract shall be for one (1) year from the effective date of this Contract. Thereafter, upon the written mutual consent of both parties, including budget approval by the City, this Contract may be renewed on an annual basis, under the same terms and conditions, for up to four (4) additional years (five (5) years total). If for any reason, funds are not appropriated to continue the contract, the contract shall become null and void and shall terminate.

3.02 **Time is of the essence of this Contract.** The Contractor shall be prepared to provide the professional services in the most expedient and efficient manner possible in order to complete the work by the times specified.

## ARTICLE IV

### Warranty, Indemnification, & Release

4.01 As an experienced and qualified design professional, the Contractor warrants that the information provided by the Contractor reflects high professional and industry standards, procedures, and the performance of other services under this Contract, pursuant to a high standard of performance in the profession. The Contractor warrants that the Contractor will exercise diligence and due care and perform in a good and workmanlike manner all of the services pursuant to this Contract

4.02 In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor and its employees are not the agents, servants, or employees of the City. As an independent contractor, the Contractor shall be responsible for the professional services and the final work product contemplated under this Contract. Except for materials furnished by the City, the Contractor shall supply all materials, equipment, and labor required for the professional services to be provided under this Contract. The Contractor shall have ultimate control over the execution of the professional services. The Contractor shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees or subcontractors, and the City shall have no control of or supervision over the employees of the Contractor or any of the Contractor's subcontractors.

4.03 The Contractor must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, employees, agents, subcontractors, licensees, and other persons, as well as their personal property, while in the vicinity of the Project or any of the work being done on or for the Project. It is expressly understood and agreed that the City shall not be liable or responsible for the negligence of the Contractor, its officers, employees, agents, subcontractors, invitees, licensees, and other persons.

4.04 **Indemnity.** The Contractor agrees to indemnify, defend, and hold harmless the City, its officers, employees, and agents (separately and collectively referred to in this paragraph as "Indemnatee"), from and against any and all claims, losses, damages, causes of action, suits, judgments, settlements made by Indemnatee, and liability of every kind, including all expenses of litigation, court costs, attorney's fees, and other reasonable costs for damage to or loss of use of any property, for injuries to, or sickness or death of any person, including but not limited to Contractor, any of its subcontractors of any tier, or of any employee or invitee of Contractor or of any such subcontractors, that is caused by, arises out of, related to, or in connection with, any work or operations performed by Contractor or by any such subcontractors of any tier, under this Contract. This indemnity shall apply even though such damage, loss, injury, sickness, or death is caused in whole or in part by any defect in or condition of any area, facilities, equipment, tools, or other items that may be provided by Indemnatee, whether or not such defect or condition was known to Indemnatee. This indemnity shall apply regardless of whether or not any such damage, loss, injury, sickness, or death is contributed to by the negligence or fault of Indemnatee. However, in the event of such contributory negligence or other fault of Indemnatee, then

Indemnatee shall not be indemnified hereunder in the proportion that the Indemnatee's negligence or other fault caused any such damage, loss, injury, sickness, or death. Both the City and the Contractor expressly intend that the indemnity provided hereunder is indemnity by the Contractor to indemnify and protect the City from the consequences of Indemnatee's own negligence while the City is participating in the Project, except that the Contractor will indemnify Indemnatee only for that pro rata portion (based on the percent of negligence) of any such damage, loss, injury, sickness, or death that was not caused by the negligence of Indemnatee. Furthermore, the indemnity provided for in this paragraph shall have no application to any damages, loss, injury, sickness, or death resulting from the sole negligence of Indemnatee, unmixed with the fault of any other person or entity.

**4.05 Release.** The Contractor releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the Contractor or its employees and any loss of or damage to any property of the Contractor or its employees that is caused by or alleged to be caused by, arises out of, or is in connection with the Contractor's work to be performed hereunder. Both the City and the Contractor expressly intend that this release shall apply regardless of whether said claims, demands, and causes of action are covered, in whole or in part, by insurance and in the event of injury, sickness, death, loss, or damage suffered by the Contractor or its employees, but not otherwise, this release shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the City, any other party released hereunder, the Contractor, or any third party.

## **ARTICLE V**

### **Insurance**

**5.01** The Contractor agrees to maintain the types and amounts of insurance required in this Contract throughout the term of the Contract. The following insurance policies shall be required:

1. Commercial General Liability
2. Business Automobile Liability
3. Workers' Compensation
4. Professional Liability
5. Commercial Crime or a Fidelity Bond

**5.02** For each of these policies, the Contractor's insurance coverage shall be primary insurance with respect to the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers, shall be considered in excess of the Contractor's insurance and shall not contribute to it. Certificates of insurance and endorsements shall be furnished to and approved by the City's Risk Manager *before* any letter of authorization to commence planning will issue or any work on the Project commences. No term or provision of the indemnification provided by the Contractor to the City pursuant to this Contract shall be construed or interpreted as limiting or otherwise affecting the terms of the insurance coverage. **All Certificates of Insurance and endorsements shall be furnished to the City's**

**Representative at the time of execution of this Agreement, attached hereto as Exhibit "C", and approved by the City *before* work commences.**

5.03 The Contractor shall include all subcontractors as additional insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

5.04 General Requirements Applicable to All Policies.

- (a) Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.
- (b) Deductibles shall be listed on the certificate of insurance and are acceptable only on a "per occurrence" basis for property damage only.
- (c) "Claims made" policies will not be accepted, except for Professional Liability insurance.
- (d) Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice has been given to the City of College Station by certified mail, return receipt requested.
- (e) Upon request, certified copies of all insurance policies shall be furnished to the City.
- (f) The certificates of insurance shall be prepared and executed by the insurance company or its authorized agent. Each certificate shall contain the following provisions and warranties: (a) that the insurance company is licensed and admitted to do business in the State of Texas; (b) that the insurance policy is underwritten on forms provided by the Texas State Board of Insurance or ISO; (c) all endorsements and coverages according to the requirements of this Contract; (d) the form of notice of cancellation, termination, or change in coverage provisions; and (e) original endorsements affecting coverage required by this Contract.
- (g) The City of College Station, its officials, employees, and volunteers are to be added as "Additional Insureds" to the Commercial General Liability and Business Automobile Liability Policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, and volunteers.

5.05 **Commercial (Public) Liability** requirements:

- (a) Coverage shall be written by a carrier with an "B+:VII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum Limit of \$1,000,000 per occurrence, \$2,000,000 annual aggregate for bodily injury and property damages.
- (c) Coverage shall be at least as broad as Insurance Service's Office Number CG 00 01.
- (d) No coverage shall be deleted from the standard policy without notification of individual exclusions being attached for review and acceptance.

- (e) The coverage shall include but not be limited to premises/operations; independent contracts, products/completed operations, contractual liability (insuring the indemnity provided herein), and where exposures exist, "Explosion Collapse and Underground" coverage.

**5.06 Business Automobile Liability requirements:**

- (a) Coverage shall be written by a carrier with an "B+:VII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$1,000,000 per occurrence for bodily injury and property damages.
- (c) The Business Auto Policy must show Symbol 1 in the Covered Autos portion of the liability section in Item 2 of the declarations page.
- (d) The coverage shall include owned or leased autos, non-owned autos, and hired cars.

**5.07 Workers' Compensation Insurance requirements:**

**5.07.01 Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, *all* employees of the Contractor, the Contractor, *all* employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers' compensation insurance policy: either directly through their employer's policy (the Contractor's, or subcontractor's policy) or through an executed coverage agreement on an approved TWCC form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, Contractors and subcontractors *must* use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.**

**5.07.02 The worker's compensation insurance shall include the following terms:**

- (a) Employer's Liability limits of \$1,000,000.00 for each accident is required.
- (b) "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy.
- (c) Texas must appear in Item 3A of the Worker's Compensation coverage or Item 3C must contain the following: All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY.

**5.07.03 Pursuant to the explicit terms of Title 28, Section 110.110(c)(7) of the Texas Administrative Code, this Agreement, the bid specifications, this Agreement, and all subcontracts on this Project must include the terms and conditions set forth in attached Exhibit D, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:**

**5.08 Professional Liability requirements:**

- (a) Coverage shall be written by a carrier with a "B+:VII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum of \$1,000,000 per occurrence and \$1,000,000 aggregate.
- (c) Coverage must be maintained for two (2) years after the termination of this Contract.

**5.09 Commercial Crime requirements:**

- (a) Coverage shall be written by a carrier with a "B+:VII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum coverage limit of \$500,000 per occurrence.
- (c) To include Employee Dishonesty and Electronic / Computer Fraud.

**ARTICLE VI  
Termination**

6.01 The City may terminate this Contract at any time upon **thirty (30)** calendar days written notice. Upon the Contractor's receipt of such notice, the Contractor shall cease work immediately. The Contractor shall be compensated for the services satisfactorily performed prior to the termination date.

6.02 If, through any cause, the Contractor fails to fulfill its obligations under this Contract, or if the Contractor violates any of the agreements of this Contract, the City has the right to terminate this Contract by giving the Contractor **five (5)** calendar days written notice to the Contractor. The Contractor will be compensated for the services satisfactorily performed before the termination date.

6.03 No term or provision of this Contract shall be construed to relieve the Contractor of liability to the City for damages sustained by the City because of any breach of contract by the Contractor. The City may withhold payments to the Contractor for the purpose of setoff until the exact amount of damages due the City from the Contractor is determined and paid.

**ARTICLE VII  
Miscellaneous Terms**

7.01 This Contract has been made under and shall be governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in Brazos County, Texas.

7.02 Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received when sent postage prepaid U.S. Mail to the following addresses:

City of College Station  
Attn: Bill Cody, Risk Manager  
P.O. Box 9960  
College Station, Texas 77842

Contractor:  
A S & G Claims Administration, Inc.  
Attn: Paulo Garcia  
10050 Northwest Freeway, Suite 245  
Houston, Texas 77092

7.03 No waiver by either party hereto of any term or condition of this Contract shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

7.04 This Contract represents the entire and integrated agreement between the City and the Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. This Contract may only be amended by written instrument approved and executed by the parties.

7.05 This Contract and all rights and obligations contained herein may not be assigned by the Contractor without the prior written approval of the City.

7.06 If any provision of this Contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it may become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.


7.07 The Contractor, its agents, employees, and subcontractors must comply with all applicable federal and state laws, the charter and ordinances of the City of College Station, and with all applicable rules and regulations promulgated by local, state, and national boards, bureaus, and agencies. The Contractor must obtain all necessary permits and licenses required in completing the work and providing the services required by this Contract.

7.08 The parties acknowledge that they have read, understood, and intend to be bound by the terms and conditions of this Contract.

7.09 This Contract will be effective when signed by the last party whose signing makes the Contract fully executed.

[CONTRACTOR]

CITY OF COLLEGE STATION

By:   
Printed Name: Paulo Garcia  
Title: V.P.  
Date: 8-12-03

By: \_\_\_\_\_  
Ron Silvia, Mayor  
Date: \_\_\_\_\_

ATTEST:

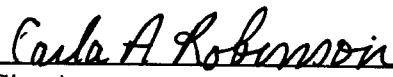
\_\_\_\_\_  
Connie Hooks, City Secretary

\_\_\_\_\_  
Date

APPROVED:

\_\_\_\_\_  
Thomas E. Brymer, City Manager

\_\_\_\_\_  
Date

  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Charles Cryan, Director of Fiscal Services

\_\_\_\_\_  
Date



**Exhibit "A"**  
**Scope of Services**

Request for Proposal # 03-94 with a due date of July 23, 2003.

Response to City's RFP # 03-94 from A S & G Claims Administration, Inc.

## **Exhibit "B"**

### **Payment Terms**

The City of College Station elects and agrees to the annual "Flat Fee" option.  
(See Attached TPA Cost of Services)

Payment is based upon twelve (12) monthly installments of the total annual cost as outlined in the TPA Cost of Services schedule.

**THIRD PARTY CLAIMS ADMINISTRATION  
COST OF SERVICES**

IF RESPONDENT PROPOSES TO PROVIDE TPA SERVICES TO THE PARTICIPATING ENTITIES THE RESPONDENT MUST COMPLET THIS FORM

RESPONDENT will provide quotes on each of the following lines of claims cited below. RESPONDENT can submit alternative quotes, however, MUST be clearly specified.

| Flat Fee (Annual)-(New Claims Effective 10-1-03) ALBI, GLBI, LEL & POL, All W/C |                       |
|---|-----------------------|
| Year 1  | Combined \$ 50,000.00 |
| Year 2  | Combined \$50,000.00  |
| Year 3  | Combined \$50,000.00  |
| Year 4  | Combined \$52,000.00  |
| Year 5  | Combined \$52,000.00  |

The above fee includes the administration fee, system fee, use of system for internal use by College Station and system training. Claims handling of all Medial Only and Lost Time claims to include subrogation by the designated adjuster. Liability claims are limited to ten per year with a maximum of two claimants per claim. Additional claimants' per-claim will result in an additional charge of seventy-five dollars per file per additional claimant. Additional claims over the allotted ten liability claims will be charged at the below per file rate.

| Per Claim Fee | A/L      |          | G/L      |          | LEL      | POL      | W/C MO  |          | W/C LT   |
|---------------|----------|----------|----------|----------|----------|----------|---------|----------|----------|
| New/Excess    | PD       | BI       | PD       | BI       |          |          | LT      | NLT      |          |
| Year 1        | \$350.00 | \$585.00 | \$350.00 | \$585.00 | \$585.00 | \$585.0  | \$90.00 | \$135.00 | \$985.00 |
| Year 2        | \$360.50 | \$585.00 | \$360.50 | \$585.00 | \$585.00 | \$585.00 | \$90.00 | \$135.00 | \$985.00 |
| Year 3        | \$371.32 | \$585.00 | \$371.32 | \$585.00 | \$585.00 | \$585.00 | \$90.00 | \$135.00 | \$985.00 |
| Year 4        | \$382.45 | \$585.00 | \$382.45 | \$585.00 | \$585.00 | \$585.00 | \$90.00 | \$135.00 | \$985.00 |
| Year 5        | \$393.93 | \$585.00 | \$393.93 | \$585.00 | \$585.00 | \$585.00 | \$90.00 | \$135.00 | \$985.00 |

Claims containing more than two claimants will incur an additional seventy-five dollar fee for each additional claimant.

Example: City vehicle hits a car with four occupants

First two BI claims filed by individuals 585

Two other BI claims become an additional charge of \$75.00 each

Total cost of claim equals \$735.00

Additional billing applies to all liability claims with more than two claimants

**Exhibit "C"**

**Certificate(s) of Insurance**

See Attached Insurance Certificate. Coverage requirements approved by Risk Management and acceptable to City.

**ACORD<sup>TM</sup> CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)  
06/23/03

|  |  |  |               |
|--|--|--|---------------|
| <b>PRODUCER</b><br><b>McQueary Henry Bowles Troy LLP</b><br><b>12700 Park Central Drive</b><br><b>Suite 1700</b><br><b>Dallas, TX 75251</b>          |  | <b>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.</b> |               |
| <b>INSURED</b><br><br><b>Abercrombie, Simmons &amp; Gillette, Inc.</b><br><b>10050 Northwest Freeway, Suite 245</b><br><b>Houston, TX 77092-8623</b> |  | <b>INSURERS AFFORDING COVERAGE</b>   | <b>NAIC #</b> |
|  |  | <b>INSURER A: Hartford Casualty Insurance Co.</b>  | <b>29424</b>  |
|  |  | <b>INSURER B: Federal Insurance Company</b>  |               |
|  |  | <b>INSURER C: Twin City Fire Insurance Co.</b>   | <b>29459</b>  |
|  |  | <b>INSURER D:</b>  |               |
|  |  | <b>INSURER E:</b>  |               |

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR | ADD'L | INSRD | TYPE OF INSURANCE   | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS   |
|------|-------|-------|---|---------------|----------------------------------|-----------------------------------|--|
| A    |       |       | <b>GENERAL LIABILITY</b><br><input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> <b>CLAIMS MADE</b> <input checked="" type="checkbox"/> <b>OCCUR</b><br><br><b>GEN'L AGGREGATE LIMIT APPLIES PER:</b><br><input type="checkbox"/> <b>POLICY</b> <input type="checkbox"/> <b>PRO-JECT</b> <input type="checkbox"/> <b>LOC</b>                 | 46UENUY7280   | 05/23/03                         | 05/23/04                          | <b>EACH OCCURRENCE</b> <b>\$1,000,000</b><br><b>DAMAGE TO RENTED PREMISES (Ea occurrence)</b> <b>\$300,000</b><br><b>MED EXP (Any one person)</b> <b>\$10,000</b><br><b>PERSONAL &amp; ADV INJURY</b> <b>\$1,000,000</b><br><b>GENERAL AGGREGATE</b> <b>\$2,000,000</b><br><b>PRODUCTS - COMPROP AGG</b> <b>\$2,000,000</b>                                      |
| B    |       |       | <b>AUTOMOBILE LIABILITY</b><br><input checked="" type="checkbox"/> <b>ANY AUTO</b><br><input type="checkbox"/> <b>ALL OWNED AUTOS</b><br><input type="checkbox"/> <b>SCHEDULED AUTOS</b><br><input checked="" type="checkbox"/> <b>HIRED AUTOS</b><br><input checked="" type="checkbox"/> <b>NON-OWNED AUTOS</b><br><br><b>GARAGE LIABILITY</b><br><input type="checkbox"/> <b>ANY AUTO</b> | 74968573TX    | 05/23/03                         | 05/23/04                          | <b>COMBINED SINGLE LIMIT (Ea accident)</b> <b>\$1,000,000</b><br><br><b>BODILY INJURY (Per person)</b> <b>\$</b><br><br><b>BODILY INJURY (Per accident)</b> <b>\$</b><br><br><b>PROPERTY DAMAGE (Per accident)</b> <b>\$</b><br><br><b>AUTO ONLY - EA ACCIDENT</b> <b>\$</b><br><br><b>OTHER THAN AUTO ONLY:</b> <b>EA ACC</b> <b>\$</b><br><b>AGG</b> <b>\$</b> |
| A    |       |       | <b>EXCESS/UMBRELLA LIABILITY</b><br><input checked="" type="checkbox"/> <b>OCCUR</b> <input type="checkbox"/> <b>CLAIMS MADE</b><br><br><input type="checkbox"/> <b>DEDUCTIBLE</b><br><input checked="" type="checkbox"/> <b>RETENTION</b> <b>\$ 10000</b>  | 46RHUUY6398   | 05/23/03                         | 05/23/04                          | <b>EACH OCCURRENCE</b> <b>\$5,000,000</b><br><b>AGGREGATE</b> <b>\$5,000,000</b><br><br><b>\$</b><br><br><b>\$</b><br><br><b>\$</b>  |
| C    |       |       | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br><b>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED?</b><br><b>If yes, describe under SPECIAL PROVISIONS below</b>   | 46WEGH2079    | 05/23/03                         | 05/23/04                          | <input checked="" type="checkbox"/> <b>WC STATUTORY LIMITS</b> <input type="checkbox"/> <b>OTHER</b><br><b>E.L. EACH ACCIDENT</b> <b>\$500,000</b><br><b>E.L. DISEASE - EA EMPLOYEE</b> <b>\$500,000</b><br><b>E.L. DISEASE - POLICY LIMIT</b> <b>\$500,000</b>  |
| B    |       |       | <b>OTHER O/S Auto</b>   | 74968574      | 05/23/03                         | 05/23/04                          | <b>\$1,000,000 CSL Limit</b>   |

| DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS |  |
|---|--|
|   |  |

Supplemental Name

Abercrombie, Simmons & Gillette, Inc.  
Abercrombie, Simmons & Gillette of San Antonio, Inc.  
Abercrombie, Simmons & Gillette of Beaumont, Inc.  
(See Attached Descriptions)

**CERTIFICATE HOLDER**

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

**AUTHORIZED REPRESENTATIVE**

## DESCRIPTIONS (Continued from Page 1)

Abercrombie, Simmons & Gillette of Dallas, Inc.  
Abercrombie, Simmons & Gillette of Corpus Christi, Inc.  
Abercrombie, Simmons & Gillette of Alabama, Inc.  
Abercrombie, Simmons & Gillette of Florida, Inc.  
Abercrombie, Simmons & Gillette of Georgia, Inc.  
Abercrombie, Simmons & Gillette of Louisiana, Inc.  
Abercrombie, Simmons & Gillette of Virginia, Inc.  
Abercrombie, Simmons & Gillette of South Carolina, Inc.  
AS&G Claims Administration Inc.

**EMPLOYERS REINSURANCE CORPORATION**  
(herein called the Corporation)

**CERTIFICATE OF INSURANCE**

This is to certify that Employers Reinsurance Corporation of Overland Park, Kansas, has issued insurance coverage as follows:

**TYPE OF INSURANCE:**

- ☒ Professional Liability
- ☐ Errors and Omissions
- ☐ Libel and Allied Torts
- ☐ Other:

**POLICY NUMBER:** #J-03195-5

**NAMED ASSURED:** Abercrombie, Simmons & Gillette, Inc.  
Additional Locations: See Attachment

**LIMIT OF LIABILITY:** \$2,000,000 each policy period

**RETENTION OR DEDUCTIBLE:** \$ 10,000 each claim

**EFFECTIVE DATE :** December 5, 2002 to December 5, 2003

By issuance of this certificate, the Corporation assumes no obligation to notify the named certificate holder of any change in the policy.

**EMPLOYERS REINSURANCE CORPORATION**

  
\_\_\_\_\_  
Authorized Representative

**EMPLOYERS REINSURANCE CORPORATION**  
(herein called the Corporation)

**CERTIFICATE OF INSURANCE**

This is to certify that Employers Reinsurance Corporation of Overland Park, Kansas, has issued insurance coverage as follows:

**TYPE OF INSURANCE:**

- ☒ Professional Liability
- ☐ Errors and Omissions
- ☐ Libel and Allied Torts
- ☐ Other:

**POLICY NUMBER:** #EX-100062.

**NAMED ASSURED:** Abercrombie, Simmons & Gillette, Inc.  
Additional Locations: See Attachment

**LIMIT OF LIABILITY:** \$3,000,000 each claim/\$3,000,000 each policy period  
Excess Indemnity

**RETENTION OR DEDUCTIBLE:** \$ N/A each claim

**EFFECTIVE DATE :** December 5, 2002 to December 5, 2003

By issuance of this certificate, the Corporation assumes no obligation to notify the named certificate holder of any change in the policy.

**EMPLOYERS REINSURANCE CORPORATION**

  
\_\_\_\_\_  
Authorized Representative



Additional Locations (Covered):

Abercrombie, Simmons & Gillette of Beaumont, Inc.  
85 Interstate 10 North, Suite 209  
Beaumont, TX 77707

Abercrombie, Simmons & Gillette, Inc.  
1701 Southwest Parkway, #206  
College Station, TX 77840

Abercrombie, Simmons & Gillette of Alabama, Inc.  
900 Western American Circle, #212  
Mobile, AL 36609

Abercrombie, Simmons & Gillette of South Carolina, Inc.  
669 Marina Drive, Suite B2  
Charleston, SC 29492

Abercrombie, Simmons & Gillette of Corpus Christi, Inc.  
2820 South Padre Island Drive, Suite 293  
Corpus Christi, TX 78415

Abercrombie, Simmons & Gillette of Dallas, Inc.  
2695 Villa Creek, Suite B155  
Dallas, TX 75234

Abercrombie, Simmons & Gillette of Dallas, Inc.  
719 West Front Street, Suite 192  
Tyler, TX 75702

Abercrombie, Simmons & Gillette of Florida, Inc.  
14041 "A" No. Dale Mabry Highway  
Tampa, FL 33618

Abercrombie, Simmons & Gillette of Florida, Inc.  
1400 East Oakland Park Boulevard, #208  
Ft. Lauderdale, FL 33334

Abercrombie, Simmons & Gillette of Georgia, Inc.  
224 East Bay Street  
Savannah, GA 31401

Abercrombie, Simmons & Gillette of Louisiana, Inc.  
4515 Shores Drive, Suite 200  
Metairie, Louisiana 70006

Abercrombie, Simmons & Gillette of San Antonio, Inc.  
1802 NE Loop; 410 #20  
San Antonio, TX 78217

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**Additional Locations (Covered):  
(Cont.)**

**AS&G Caims Administration, Inc.  
10050 Northwest Freeway, #250  
Houston, TX 77092**

**Abercrombie, Simmons & Gillette of Virginia, Inc.  
192 Ballard Court, Suite 304  
Virginia Beach, VA 23462**

**Abercrombie, Simmons & Gillette of Georgia, Inc.  
2470 Windy Hill Road, Suite 243  
Marietta, GA 30067**

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Chubb Group of Insurance Companies  
15 Mountain View Road  
Warren, New Jersey 07059

**ForeFront Portfolio<sup>SM</sup>**  
**Crime Coverage Section**

**DECLARATIONS**

**FEDERAL INSURANCE COMPANY**  
a stock insurance company, incorporated under the  
laws of Indiana, herein called the Company.

**READ THE ENTIRE POLICY CAREFULLY.**

**Item 1. Parent Corporation:**

ABERCROMBIE, SIMMONS & GILLETTE, INC.  
10050 NORTHWEST FRWY, #245  
HOUSTON, TX 77092

**Item 2. Coverage is only available for the following if indicated by X:**

| Insuring Clauses   | Limits of Liability | Deductible Amount |
|--|---------------------|-------------------|
| (A) <input checked="" type="checkbox"/> Employee Theft: Insuring Clause (A):                             | \$500,000.00        | \$5,000.00        |
| (B) <input checked="" type="checkbox"/> Premises: Insuring Clause (B):                                   | \$500,000.00        | \$5,000.00        |
| (C) <input checked="" type="checkbox"/> In Transit: Insuring Clause (C):                                 | \$500,000.00        | \$5,000.00        |
| (D) <input checked="" type="checkbox"/> Forgery: Insuring Clause (D):                                    | \$500,000.00        | \$5,000.00        |
| (E) <input checked="" type="checkbox"/> Computer Fraud: Insuring Clause (E):                             | \$500,000.00        | \$5,000.00        |
| (F) <input checked="" type="checkbox"/> Funds Transfer Fraud: Insuring Clause (F):                       | \$500,000.00        | \$5,000.00        |
| (G) <input checked="" type="checkbox"/> Money Order And Counterfeit Currency Fraud: Insuring Clause (G): | \$500,000.00        | \$5,000.00        |
| (H) <input type="checkbox"/> Credit Card Fraud: Insuring Clause (H):                                     | Not Covered         | Not Covered       |
| (I) <input type="checkbox"/> Client Coverage: Insuring Clause (I):                                       | Not Covered         | Not Covered       |
| (J) <input type="checkbox"/> Expense Coverage: Insuring Clause (J):                                      | Not Covered         | Not Applicable    |

**Item 3. Coverage only applies as indicated by X.**

- (A) ☒ Loss Sustained; or  
(B) ☐ Loss Discovered

## Exhibit D

### Workers Compensation Insurance Requirements for On-Site Work Title 28, Section 110.110 of the Texas Administrative Code

#### *"A. Definitions:*

*Certificate of coverage ("certificate") - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Texas Workers' Compensation Commission, or a coverage agreement (TWCC-81, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.*

*Duration of the project - includes the time from the beginning of the work on the project until the Contractor's/person's work on the project has been completed and accepted by the governmental entity.*

*Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.*

*B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.*

*C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.*

*D. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.*

*E. The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:*

(1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and

(2) no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

G. The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.

H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.

I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:

(1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;

(2) provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;

(3) provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;

(4) obtain from each other person with whom it contracts, and provide to the Contractor:

(a) a certificate of coverage, prior to the other person beginning work on the project; and

*(b) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*

*(5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;*

*(6) notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and*

*(7) contractually require each person with whom it contracts, to perform as required by paragraphs (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.*

*J. By signing this contract, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.*

*K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the contract void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."*